

Gov's Off - Endow Fund Investment Bd

Endowment Investments

Description:

The basic goals of the Endowment Fund Investment Board are to provide safety of investments, increased income to fund beneficiaries, growth of the principal through realized gains, and to provide investment management to the State Insurance Fund.

Major Functions and Targeted Performance Standard(s) for Each Function:

1. Active (as opposed to buy and hold) investment management of the endowment funds and the State Insurance Fund by the staff manager and assistant managers.

A. Public school.

Actual Results			
1996	1997	1998	1999
\$393,665,789	\$434,869,175	\$479,925,957	\$524,000,000
Projected Results			
2000	2001	2002	2003
\$563,900,000	\$580,100,000	\$596,900,000	\$613,800,000

B. Pooled.

Actual Results			
1996	1997	1998	1999
\$184,599,092	\$200,568,956	\$218,967,796	\$237,800,000
Projected Results			
2000	2001	2002	2003
\$256,600,000	\$263,400,000	\$270,300,000	\$277,400,000

C. State Insurance Fund.

Actual Results			
1996	1997	1998	1999
\$353,089,288	\$352,412,773	\$344,852,720	\$315,700,000
Projected Results			
2000	2001	2002	2003
\$305,000,000	\$310,100,000	\$315,000,000	\$320,000,000

2. Increased distributions of income to fund beneficiaries.

A. Public school appropriation/distribution or estimate.

Actual Results			
1996	1997	1998	1999
\$24,025,000/\$24,196,629	\$26,425,000/\$26,864,673	\$29,100,000/\$29,978,409	\$31,700,000/\$31,700,000
Projected Results			
2000	2001	2002	2003
\$33,200,000/\$33,200,000	\$49,900,000/\$49,900,000	\$52,400,000/\$52,400,000	\$55,000,000/\$55,000,000

B. Pooled appropriation/distribution or estimate.

Actual Results			
1996	1997	1998	1999
\$11,125,000/\$11,732,556	\$12,225,000/\$12,246,373	\$13,000,000/\$13,029,935	\$14,040,000/\$14,082,000
Projected Results			
2000	2001	2002	2003
\$14,740,000/\$14,740,000	\$22,100,000/\$22,100,000	\$23,200,000/\$23,200,000	\$24,400,000/\$24,400,000

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C. State Insurance Fund income earned/dividend distribution.

Actual Results			
1996	1997	1998	1999
\$19,694,858/\$33,500,000	\$21,377,618/\$53,750,000	\$21,081,427/\$61,500,000	\$18,000,000/\$41,500,000
Projected Results			
2000	2001	2002	2003
\$17,500,000/\$40,000,000	\$17,900,000/\$39,000,000	\$18,500,000/\$38,000,000	\$19,000,000/\$37,000,000

3. To provide a performance report on the funds ranking.

A. Endowment Fund fixed income as compared to funds in Merrill Lynch Universe.

Actual Results			
1996	1997	1998	1999
77	74	80	79* (3/31/99)
Projected Results			
2000	2001	2002	2003
30	25	25	25

B. To be in the 50th percentile by 2001.

Actual Results			
1996	1997	1998	1999
23	34	53	43* (3/31/99)
Projected Results			
2000	2001	2002	2003
30	25	25	25

C. Total fund performance ranking as compared to funds in the Merrill Lynch Universe.

Actual Results			
1996	1997	1998	1999
23	34	53	43* (3/31/99)
Projected Results			
2000	2001	2002	2003
30	25	25	25

4. Agency cost as a percentage of funds under management.

A. Agency Cost as percent of funds under management.

Actual Results			
1996	1997	1998	1999
0.000484	0.000488	0.000470	0.000469
Projected Results			
2000	2001	2002	2003
0.000521	0.001040	0.001353	0.001651

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5. Cost of management by outside firm at 0.25%.

A. Cost of Management.

Actual Results			
1996	1997	1998	1999
\$2,328,385	\$2,469,627	\$2,,609,366	\$2,698,750
Projected Results			
2000	2001	2002	2003
\$2,813,750	\$2,883,750	\$2,955,500	\$3,028,000

Program Results and Effect:

The Endowment Fund Investment Board produces income estimates to fund beneficiaries. The Fund is constantly researching ways to maximize return to the funds under management. The ultimate effect of this program is the continued management necessary to maintain fund safety and to insure maximum return to the fund beneficiaries and people of Idaho.

Numbers for FY 2001 and beyond are raw estimates due to legislative changes that will take place on July 1, 2000. State Insurance Fund estimates are purely speculative due to changes there.

We have added a line which details total fund performance for the one year period.

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